

AMENDING

**Liquidator's Progress  
Report****S.192**

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

06045993

Name of Company

B Howarth Properties Limited

I / We

Andrew Bland, 41 Greek Street, Stockport, Cheshire, SK3 8AX

the liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 28/06/2013 to 27/06/2014

Signed



Date

27/03/2015

DMC Recovery Limited  
41 Greek Street  
Stockport  
Cheshire  
SK3 8AX

Ref B004/AB/BR

TUESDAY



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COMPANIES HOUSE

# **B HOWARTH PROPERTIES LIMITED (IN LIQUIDATION)**

## **ANNUAL REPORT (AMENDED)**

**28 June 2014**

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## **1. INTRODUCTION**

The purpose of this report is to detail my acts and dealings as Liquidator and it should be read in conjunction with my previous correspondence to Creditors

## **2 BACKGROUND**

### **Registered name, address and number**

B Howarth Properties Limited (In Liquidation), ("the Company")

Registered office 41 Greek Street, Stockport, Cheshire, SK3 8AX

Registered Number 06045993

Other trading names None

### **Appointment details**

The members' and creditors' meetings were held on 28 June 2013, when I was appointed Liquidator of the company

The company's principal activity was as property development

The main causes of failure were due to the economic downturn and the company's banker's desire to no longer finance property development

## **3. ASSET REALISATIONS**

The Liquidator's Receipts and Payment account for the period from 28 June 2013 to 27 June 2014 is attached at Appendix 1

According to the statement of affairs lodged in these proceedings, the assets of the company had an estimated to realise value of Nil

### **Assets**

The assets of the company, according to the statement of affairs was nil

The debtor balance in the accounts to 30 April 2011 of £ 3,360,351 is due from Hacienda Casa SL, a company in which the Director has a material interest. Due to the downturn in the Eurozone economy, the Director believes that this amount is not recoverable and that Hacienda Casa SL will not now obtain full ownership of properties in Spain

Due to difficulties in obtaining clarity on the recoverability of this material debtor, SAS Daniels LLP, solicitors of Stockport, Manchester have been retained in relation to this matter. Investigations and Enquiries are ongoing, although recovery appears unlikely as we are advised that the Spanish Company is in Liquidation. Although I have yet to receive to third party confirmation of this matter

Freeman Fisher, solicitors of Manchester have been instructed in relation to a mis selling claim against Clydesdale Bank PLC for the sale of an interest rate hedging product to the company prior to liquidation. The bank is required to follow a protocol agreed with the

financial conduct authority and the matter is currently being reviewed by an independent reviewer. The quantum of the claim is currently unknown, however, an offer is expected from the bank shortly. Due to the complexity of this matter any offer of settlement will be reviewed and if appropriate advised upon by Freeman Fisher accordingly.

#### **4. INVESTIGATION**

The directors' conduct report was submitted to the Insolvency Service on 20 December 2013. The contents of this report are confidential.

#### **5. CREDITORS CLAIMS AND DIVIDEND PROSPECTS**

The trade and expense creditors, as per the statement of affairs, totalled £8,850. The amount due to HMRC in relation to VAT was estimated to be £363,317 and £1,208 for PAYE and no known corporation tax creditor.

Proofs of debt have been received from 1 trade creditor in the sum of £7,200. From HMRC in the sum of £1,412 in respect of PAYE and £895,188 in respect of VAT. It is anticipated that upon submission of an outstanding return, that the HMRC VAT position will revert to that per the statement of affairs, as detailed above.

##### **Secured Creditors**

Registered on the Company's file at Companies House were five legal charges, four in favour of Clydesdale Bank plc and one in favour of Royal Bank of Scotland plc. These relate to fixed charges over specific properties mortgaged by the Company.

The Director advised that all mortgages have been satisfied and the corresponding properties sold. Companies House forms MG02 were completed by the Director and filed at Companies House. The charges now show on the Company's file as satisfied.

#### **6. COSTS AND EXPENSES**

The payments shown on the summary of the Receipts and Payments at Appendix 1 are in the main self-explanatory.

##### **Summary of costs**

The members and creditors authorised the payment of a fee of £5,000 plus VAT and disbursements and producing and circulating the notices for the members and creditors meetings held on 28 June 2013, of this £500 was paid to Messrs Edward Veeder Chartered Accountants for assistance with the Statement of Affairs.

The director made a third party contribution in advance of the meeting of £5,000 plus VAT which paid the statement of affairs fee in full.

##### **Liquidator's remuneration**

In accordance with the statement of Insolvency Practice 9 Appendix 7(a) as the cumulative time costs are expected to be less than £10,000, detail of time spent is limited as follows:

The liquidator's time costs for the period 28 June 2013 to 27 June 2014 total £5,317 representing 25.9 hours at an average hourly rate of £205. Of this £666.67 has been drawn, with the balance remaining outstanding. Due to the complexity of the matters

arising, the case administration has required significant director and senior management time. In the absence of a recovery in the claim against Clydesdale Bank PLC, this and any other time, will be written off as irrecoverable.

The Liquidator's remuneration was drawn in accordance with Insolvency Rules 1986 S4 127(2)(b) on a time cost basis in relation to this assignment, as authorised by creditors at the S98 Meeting on 28 June 2013, in accordance with the following resolution

"That the Liquidator is authorised to draw his remuneration on the basis of time properly spent by him and his staff, such time costs to be drawn on account from time to time as funds permit."

A description of the routine work undertaken in the liquidation to date is as follows -

#### Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details as appropriate
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

#### Cashiering

- Maintaining and managing the Liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

#### Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information as appropriate
- Reviewing and adjudicating on proofs of debt received from creditors

#### Investigations

- Review and recovery of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors

#### Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with the company's bank regarding the closure of the account
- Dealing with antecedent transactions
- Dealing with a liaison with solicitors regarding the claim against the bank

### **Liquidator's Disbursements**

The Liquidator's category 1 disbursements for the 12 months to 27 June 2014 total £451 20 as scheduled in Appendix 1 Of this £72 50 remains outstanding to my firms office account

The Liquidator's category 2 disbursements for the period to 27 June 2014 total £7 25 and remain outstanding This has been settled in full

### **Other professional Costs**

There are no other professional costs although Messrs Freeman Fisher and SAS Daniels Solicitors have been instructed Both are retained on a contingent basis, due to the lack of funds in the case

## **7. FURTHER INFORMATION**

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report Any secured creditor may request the same details in the same time limit

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report Any secured creditor may make a similar application to court within the same time limit

## **8 CONCLUSION**

I shall be continuing my administration of the liquidation and hope to complete outstanding matters and close the case shortly

If you require any further information please contact 0161 474 0920



Andrew M Bland  
Liquidator

Licensed by the institute of Chartered Accountants in England and Wales

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**B Howarth Properties Limited  
(In Liquidation)**

**Liquidator's Abstract Of Receipts And Payments**

	Statement of affairs £	From 28/06/2013 To 27/06/2014 £	From 28/06/2013 To 27/06/2014 £
<b>RECEIPTS</b>			
Directors contribution to costs		6,000 00	6,000 00
Vat Control Account		1,052 00	1,052 00
		<u>7,052.00</u>	<u>7,052 00</u>
<b>PAYMENTS</b>			
Preparation of S of A		4,500 00	4,500 00
Assistance with S of A		500 00	500 00
Liquidators Fees		666 67	666 67
Statutory Advertising		260 00	260 00
Bank Charges		2 50	2 50
Vat Receivable		1,185 33	1,185 33
		<u>7,114 50</u>	<u>7,114 50</u>
<b>BALANCE - 27 June 2014</b>		<u><b>(62.50)</b></u>	<u><b>(62.50)</b></u>
<b>MADE UP AS FOLLOWS</b>			
Bank 1 Current		72 50	72 50
Office		(135 00)	(135 00)
		<u>(62 50)</u>	<u>(62 50)</u>



Andrew Bland  
Liquidator

## **Appendix 2**

### **Summary of Category 2 Disbursements**

Storage charge – £2 50 per box per quarter

Mileage rates – 40p per mile

Postage on circulars – current Post Office rates

Internal room hire charge – £75

Photocopying – 5p per sheet

Insolv – £125 (one off charge)